



Cornell University  
ILR School

Cornell University ILR School  
**DigitalCommons@ILR**

---

Federal Publications

Key Workplace Documents

---

January 2002

## Foreign Labor Trends: Argentina

U.S. Bureau of International Affairs  
*United States Department of Labor*

Follow this and additional works at: [https://digitalcommons.ilr.cornell.edu/key\\_workplace](https://digitalcommons.ilr.cornell.edu/key_workplace)

Thank you for downloading an article from DigitalCommons@ILR.

**Support this valuable resource today!**

---

This Article is brought to you for free and open access by the Key Workplace Documents at DigitalCommons@ILR. It has been accepted for inclusion in Federal Publications by an authorized administrator of DigitalCommons@ILR. For more information, please contact [catherwood-dig@cornell.edu](mailto:catherwood-dig@cornell.edu).

If you have a disability and are having trouble accessing information on this website or need materials in an alternate format, contact [web-accessibility@cornell.edu](mailto:web-accessibility@cornell.edu) for assistance.

---

## Foreign Labor Trends: Argentina

### Keywords

Federal, key workplace documents, Catherwood, ILR, foreign, labor, trends, Argentina, indicators, workers, ILO, sector, law, unemployment, wage, reform, unions, employers

### Comments

Foreign Labor Trends

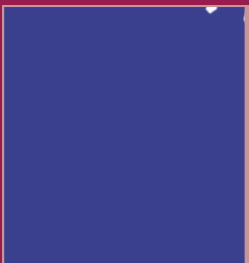
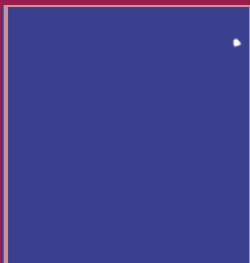
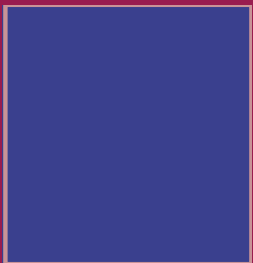
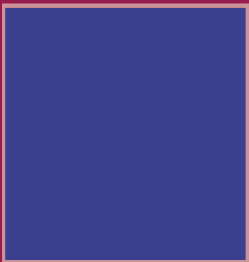
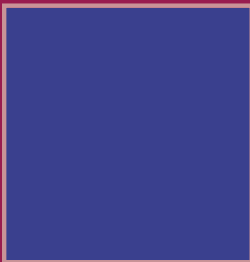
# Foreign Labor Trends

Argentina



Prepared and Released by  
U.S. Department of Labor  
Bureau of International Labor Affairs  
and U.S. Embassy, Buenos Aires

2002  
FLT 02-04  
Frequency: Annual  
Supercedes: 96-13



# TABLE OF CONTENTS

	Page
<b>KEY LABOR INDICATORS.....</b>	<b>1</b>
<b>DESCRIPTION OF THE LABOR SECTOR.....</b>	<b>4</b>
(OFFICIAL) GENERAL CONFEDERATION OF WORKERS (CGT) .....	4
(DISSIDENT) GENERAL CONFEDERATION OF WORKERS (CGT) .....	4
CENTRAL OF THE ARGENTINE WORKERS (CTA) .....	5
INTERNATIONAL AFFILIATIONS .....	6
STRUCTURE OF ORGANIZED LABOR .....	6
UNION MANAGED HEALTH CARE.....	6
<b>RECENT HIGHLIGHTS AND DEVELOPMENTS.....</b>	<b>7</b>
UNEMPLOYMENT .....	7
INFORMAL SECTOR .....	7
LABOR LAW REFORM .....	8
MINIMUM WAGE .....	8
FEDERAL MEDIATION AND CONCILIATION .....	9
INTERNATIONAL ORGANIZATION OF LABOR (ILO) .....	9
<b>THE LABOR MINISTRY .....</b>	<b>9</b>
OCCUPATIONAL SAFETY AND HEALTH (OSH).....	10
<b>DIRECTORY OF LABOR CONTACTS .....</b>	<b>11</b>

# KEY LABOR INDICATORS

## Argentina 2002

<u>INDICATOR</u>	<u>2000</u>	<u>2001</u>	<u>% CHANGE</u>
1. Per capita GDP current prices (US\$) <sup>1</sup>	7,716	7,733	0.2
2. —, in Agriculture (%) <sup>2</sup>	7	6	-14.3
3. —, in Manufacturing (%)	29	32	10.3
4. —, services	64	62	-3.1
5. —, (peso)	7,716	7,733	0.2
6. Population, total (millions) <sup>3</sup>	37	n/a	~
7. —, major ethnic groups (%) <sup>4</sup>	n/a	n/a	~
8. —, in major urban areas (%)	89.6	89.6	0.0
9. Birth rate (per thousand population) <sup>5</sup>	18.59	18.41	-1.0
10. Life expectancy at birth, total	75.05	75.26	0.3
11. —, male	71.67	71.88	0.3
12. —, female	78.61	78.82	0.3
13. Adult literacy rate (%)	96.2	96.2	0.0
14. Labor force, civilian, total (millions) <sup>6</sup>	33.9	n/a	~
15. —, male (millions)	20.0	n/a	~
16. —, female (millions)	13.9	n/a	~
17. Employment, civilian, total (millions)	12.1	n/a	~
18. —, in industry (millions)	1.6	n/a	~
19. —, in export processing zones	n/a	n/a	~
20. —, in agriculture (millions)	n/a	n/a	~
21. —, in services (millions) <sup>7</sup>	9.3	n/a	~

<sup>1</sup> Local currency is Peso. 1 Peso=1 US\$ (2000, 2001). Argentina uses both pesos and US Dollars. In late March 2002, the peso devalued to around 3.4 pesos=1US\$.

<sup>2</sup> Source: *The World Factbook 2000 and 2001* (*Ibid.* source for indicators # 3 and 4).

<sup>3</sup> Source: INDEC 2000 statistical synopsis.

<sup>4</sup> The population is mostly of European descent, largely Spanish and Italian. The foreign population from bordering countries and from other countries is 2.5 percent each. Source: 1991 INDEC Population Census.

<sup>5</sup> Source: *The World Factbook 2000 and 2001*. (*Ibid* source for indicators # 10-13).

<sup>6</sup> Economically active population

<sup>7</sup> In the urban areas, (where 90 percent of the total population lives), employment in sectors of electricity, gas and water-0.1 million; commerce, restaurants and hotels-2.5 millions; transportation, storage and communication-0.9 millions; finance, insurance, real estate and corporate services-1.1 millions; community, social and personal services-4.8 millions; and others-0.2 millions.

## Argentina 2002

<b><u>INDICATOR</u></b>	<b><u>2000</u></b>	<b><u>2001</u></b>	<b><u>% CHANGE</u></b>
	<b><u>1999</u></b>	<b><u>2000</u></b>	
22. Unemployment rate (%) <sup>8</sup>	14.3	14.7	2.8
23. Underemployment rate (%) <sup>9</sup>	9.4	n/a	~
	<b><u>2000</u></b>	<b><u>2001</u></b>	
24. Labor productivity, manufacturing (% change) <sup>10</sup>	n/a	n/a	~
25. Work-related accidents and illnesses (000)	442.3	n/a	~
26. Man hours lost from industrial disputes (million) <sup>11</sup>	99	n/a	~
27. Minimum wage rate (peso, per month)	200	n/a	~
28. —, (US\$)	200	n/a	~
29. Average quarterly earnings by major industry (US\$) <sup>12</sup>	847	n/a	~
30. Hourly compensation costs for production workers in manufacturing (US\$) <sup>13</sup>	3.8	n/a	~
31. —, (peso)	3.8	n/a	~
32. Hourly compensation costs for laborers (US\$)	3.90	n/a	~
—, construction (US\$)	1.41	n/a	~
33. —, metal worker	2.00	n/a	~
34. Hourly compensation costs for mechanic (US\$)	2.35	n/a	~
35. —, bank services	2.60	n/a	~
—, commercial services	2.06	n/a	~
—, commercial assistant	3.00	n/a	~
—, clerical	5.20	n/a	~
36. Supplementary benefits as % of manufacturing earnings	n/a	n/a	~
37. Average hours worked per week	41.8	n/a	~

<sup>8</sup> Unemployment reached 18.3 percent in October 2001, 22 percent in February 2002 and might reach 30 percent. An estimated 2.5 million persons are unemployed.

<sup>9</sup> An additional 5.3 percent are also underemployed, but not demanding work.

<sup>10</sup> Labor productivity in manufacturing is \$30,700. It is the ratio of the gross added value in thousand pesos to the number of jobs in the manufacturing sector. Source: INDEC National Economic Census of 1993-94.

<sup>11</sup> 87 percent of the man hours were lost due to general strikes.

<sup>12</sup> Quarterly earnings in agriculture, livestock, and hunting-US\$394; fishing and related services-US\$1,351; mining-US\$2,256; manufacturing industries-US\$1,009; food, drinks and tobacco-US\$904; textiles and leather-US\$635; timber, paper, printing, and publishing-US\$973; oil and chemicals related industries-US\$1,513; basic metal industries-US\$893; transportation material-US\$1,143; machinery and equipment-US\$1,128; other industries-US\$1,039; electricity, gas, and water supply-US\$1,703; and Construction-US\$548. In the service production sector total average US\$854; wholesale and retail commercial establishments, and repair services-US\$703; hotels and restaurants-US\$496; transportation, storage and communications-US\$1,008; financial mediation-US\$1,727; real estate activities-US\$808; public administration, defense, extraterritorial organizations-US\$963; private social services, education and health-US\$648; other services related activities-US\$755.

<sup>13</sup> Covers all urban areas. (*Ibid* source for indicators #31-35).

## Argentina 2002

	<b><u>INDICATOR</u></b>	<b><u>2000</u></b>	<b><u>2001</u></b>	<b><u>% CHANGE</u></b>
38.	Unionization of labor (est. %) <sup>14</sup>	35	n/a	~
39.	Average personal income per year at current prices (US\$)	n/a	n/a	~
40.	Average disposable income after taxes and withholding (US\$)	n/a	n/a	~
41.	Percent of population beneath poverty level <sup>15</sup>	16.5	n/a	~
		<b><u>1999</u></b>	<b><u>2000</u></b>	~
42.	Consumer price index (%) <sup>16</sup>	-1.8	-0.7	~

---

n/a = not available

Exchange rate: US\$ 1= 1 peso (1999-2001). In March 2002 US\$1=3.4 pesos.

---

<sup>14</sup> Formal sector

<sup>15</sup> These are households with unsatisfied basic needs (1991). It includes households with more than 3 persons to a room, do not meet basic standards of sanitation and safety, child not attending school, and four or more persons depending on one undereducated head of household employed.

<sup>16</sup> Change in the consumer price index from 2000 to 2001 was minus 61 percent.

## **DESCRIPTION OF THE LABOR SECTOR**

The labor movement in Argentina is one of the few remaining with political and economic clout in Latin America, although it wields much less than it did in the past. The leading unions are currently distributed among three main confederations. The largest is the official General Confederation of Workers, (CGT). The others are the dissident General Confederation of Workers (CGT or Movement of Argentine Workers - MTA) and the Central of the Argentine Workers (CTA). According to one unofficial estimate, the official CGT represents approximately 80 percent of union members, the dissident CGT has 15 percent and the CTA has 5 percent. Very roughly 35 percent of the formal sector work force are dues paying union members.

### **(Official) General Confederation of Workers (CGT)**

The official CGT, the largest of the three confederations, includes unions in the restaurant, retail, sanitation, light and energy, banking, insurance, construction, petroleum, state employees, plastics, textile, metal workers, cement, clothing, municipal workers, private security, beef, tobacco, and other sectors. Rodolfo Daer, head of the food workers union, has been Secretary General of the CGT since 1996.

In recent years the official CGT has been the least conflictive confederation and the one most willing to negotiate with the government. It has at times threatened national strikes but cancelled them after negotiations. This may be due to a strategic decision combined with the more middle class nature of the member unions, which gives them a better understanding of economic growth and their long- term interests. It may also be a response to sensitivity to the declining public image of unions and their strikes.

The CGT has traditionally been closely aligned with the Peronists (Justicialist Party). In recent years, the CGT has become more politically autonomous. For example, over the first 18 months of the Radical Party/FREPASO coalition government of President de la Rúa in 1999-2001, the CGT participated in tripartite social dialogue discussions. The CGT has also at times had a good working relationship with the Ministry of Labor in non-Peronist administrations. Although formal union events often start with the Peronist march song and Juan and Evita Peron icons are prominent at most union headquarters, many non-Peronists exist within their ranks.

### **(Dissident) General Confederation of Workers (CGT)**

The second largest union grouping is the dissident General Confederation of Workers (dissident CGT). It includes unions in the trucking, airline, taxi, agriculture, lumber, paper, metalworkers, painters, and other sectors. The MTA is headed by Hugo Moyano, leader of the truck drivers union. The dissident CGT is a more populist and combative confederation than the official CGT, and it more easily and quickly mobilizes for a work stoppage or national strike. This is consistent with Moyano's personal style and is also a reflection of the confederation's membership, which is more blue collar and less service industry oriented than the official CGT. The dissident CGT's large transportation sector membership gives it an immediate and strong public impact when it decides to hold a strike, as major forms of transportation are halted, making it difficult for other businesses to function as usual.

The CGT split in early 2000, due to internal political conflicts about who should head the CGT (Daer or Moyano) and to differing approaches to the negotiation of the Labor Reform Law that was approved in 2000. The Confederation had also split in the early 1990's in reaction to the



policies of President Menem. Ultimately, however, both the official CGT and the dissident CGT share one long-term goal--to save the current union structure which allows them to maintain a relatively high number of members and a wealth of union funds compared to counterpart organizations in many other countries. The two CGT branches have worked in tandem when their interests coincide and they have stated their intent to reunite at some undetermined point in the future.

### **Central of the Argentine Workers (CTA)**

The third major union confederation is the Central of the Argentine Workers (CTA) which includes many public employees (federal, provincial and municipal), including major teachers unions. It is led by Victor De Gennaro, who came from one of the government workers unions (ATE). The CTA is the smallest and most confrontational of the three confederations, with much of its support coming from several teachers unions and the ATE. Budget austerity at the federal and provincial level has brought the CTA to an almost constant state of mobilization and protest in late 2001 and in the first months of 2002.

The CTA as a confederation does not have the legal benefits (*personaria gremial*) bestowed upon the official CGT and it, logically, advocates change in the union structure system. (Note: Although the Confederation does not have *personaria gremial*, its member unions do benefit.) According to some, this has also led it to try to organize the unemployed and retired communities, which have participated in recent protests. CTA leaders actively try to bring in a variety of social and political groups and even individuals as well as unions. Because of this, some consider the CTA a political movement more than a labor confederation. This "outsiders" role, the critical attitude of its leaders, and the teachers' and other state unions' fear of job and wage cuts, have made the CTA a confederation more likely than the official CGT and dissident CGT to engage in labor mobilizations and a conflictive approach to labor relations.

The CTA also includes associations of retirees and pensioners as well as the Federation of Land and Housing, prominent organizers in the roadblock protests by unemployed workers and social activists termed "piqueteros." Other associations of retirees and the unemployed are organized by the Combative Classist Movement (CCC) and by the Independent Movement of Retirees and Pensioners (MIJP). The CTA sometimes coordinates activities with the CCC but not with the MIJP, both of which have maintained almost daily roadblocks in various locations around the country over late 2001/early 2002 and which have strong ties to extreme leftist groups, such as the Revolutionary Communist Party and the Workers Party (Partido Obrero).

The CTA is not closely tied to any party but De Gennaro has also been involved in the emerging new political faction that split from the left wing FREPASO party. The CTA has also been a mainstay and intellectual source for much of the work of a group of labor, church, social and human rights organizations called the National Front Against Poverty (FRENAPO). The CTA drafted for FRENAPO a proposal for a universal unemployment benefit for heads of households, then held a nationwide plebiscite in late 2001 which, while not binding, served to draw attention to the proposal. The Duhalde government's own unemployment benefit plan seems to have drawn from the CTA proposal. The discredit of the two major political groups, the PJ and the Alliance (Radical Parties) plus FREPASO, brought on by the ongoing Argentine political, economic and social crisis of 2001-2002, plus the CTA's frequent mobilizations and ability to draft and promote proposals, has brought it increasing prominence.

## **International Affiliations**

The official CGT has a working relationship with the AFL-CIO.

The official CGT and the CTA are members of the Southern Cone Coordinating Committee (Coordinadora de Sindicatos Federales de Cono Sur) which includes the CUT Brazil, the CUT Paraguay, the PIT-CNT Uruguay, the CUT Chile.

The official CGT is also a member of the ICFTU (in Spanish, Confederacion Internacional de Organizaciones Sindicales Libres CIOIS), through its regional branch ORIT in Caracas.

The dissident CGT is affiliated with the World Confederation of Labor, previously the International Federation of Christian Trade Unions, through the local branch of Latin American Confederation of Workers (CLAT).

The CTA itself is not affiliated with such international labor organizations although some of its member unions are. The CTA is active in the Coordination of Union Centers of the Southern Cone (Coordinador de Centrales Sindicales del Cono Sur), however, and actively lobbies on behalf of its views with respect to international economic and labor issues.

## **Structure of Organized Labor**

Unions in Argentina are organized at various levels. At the top of the pyramid are the national confederations, referred to as the "third" level of labor organizations. A confederation consists of federations and national unions, the second and third levels respectively. The "second" level of the union is the federation, a national organization by industry of various local unions. The "first" level is a national level union in which all workers (as opposed to local unions) are members.

There are various representational schemes for the election of the heads of the unions, federations, and confederations. The schemes often make it very difficult for local representatives to enter the high level decision making circles and some have been criticized for being non-democratic.

## **Union Managed Health Care**

Much of the population receives its health care through health maintenance organizations (HMOs - obras sociales) run by unions. In 2001 there were approximately 290 union health service providers with 12 million beneficiaries. The unions managed four billion dollars annually in funds collected to run the HMOs. This money has helped maintain not only the health care services, which vary in quality depending on the union, but also the unions themselves, and other services they provide, such as recreational hotels. Some of the HMO's are notorious for corruption, leaving their beneficiaries with very little and very poor service. Reforms allowing union members more choice among union health plans have been introduced to increase competition among union HMO's and thereby to help improve service.

## **RECENT HIGHLIGHTS AND DEVELOPMENTS**

### **Unemployment**

Rising unemployment is by far the largest labor problem in Argentina in recent years. After four years of economic recession, unemployment reached a level of 18.3 percent in October 2001. Then in December 2001, harsh financial restrictions were imposed to halt a run on the banks. Ensuing widespread protests resulted in the resignation of the De la Rúa government on December 20, 2001. A short-lived successor government under Adolfo Rodríguez Saa declared a default on the foreign debt, but that Government too was forced to resign by the loss of political support and continuing social protest. As still another President, Eduardo Duhalde, took charge in January 2002, the peso's parity with the dollar, which had been maintained for most of the last decade, was abruptly ended and the peso devalued rapidly. The combined political, economic and social crisis ensuing from these difficult events, particularly financial restrictions, has meant many businesses have closed or cut back production. One survey showed the loss of some 75,000 jobs in February 2002 alone. The unemployment rate was estimated to have been about 22 percent at that point, with the next official rate to be issued in May 2002. Unemployment of 30 percent is thought to be a real possibility by May 2002.

The Government has tried to help the unemployed with various assistance programs or "Planes Trabajar" throughout the country and provinces have implemented various programs as well. However, particularly during the previous government, these subsidies have often become subject to allocation based on political criteria more than the intended social criteria. These subsidies reportedly became a means used by the federal, provincial and local governments to manage roadblock protests by the unemployed. The official unemployment program is minimal, covering roughly 100,000 of the estimated 2.5 million unemployed in late 2002. In March 2002, the Duhalde government was designing an ambitious unemployment subsidy for heads of households aimed to reach some 2 million people. Despite the clear erosion of wages as a result of the peso devaluation and rising inflation, the official CGT and dissident CGT maintained a constructive relationship with the Duhalde government through March 2002, partly given the traditional Peronist links of the union federations, but also their desire to avoid any provocations that could have further destabilized an already critical political, economic and social crisis in the country. Despite this fact, there has been some union pressure for raising the minimum wage and there has been considerable talk since early 2002 of indexation of wages, two measures which the Government is firmly opposed to, given the impact that this would have on inflation.

### **Informal Sector**

The informal sector, where workers are paid in cash with no withholdings for social services and taxes, is widely believed to employ about 40 percent of working Argentines. Reducing the informal sector, (sector negro) in Argentina has been a long-term priority for government, unions and employers. The financial restrictions imposed in December 2001 to safeguard the banking system forced some of the informal sector into the official economy by making it illegal and very difficult to pay workers in cash. These new measures resulted in layoffs for tens of thousands of workers in the informal sector, whose employers could no longer obtain cash to pay them.

## **Labor Law Reform**

In 2000, a labor reform law was passed in an ambitious attempt to modernize the labor system and make it more flexible and competitive. Among other things, the reform extended workers' probationary period and ended the automatic renewal of existing contracts if collective bargaining failed. The labor reform law sparked a political scandal that rocked the country and ended with the resignation of the FREPASO Party Vice-President over accusations that various Senate members had been bribed by the government to secure passage of the law. Ironically, the positive economic impact of the law, which was never fully implemented, has been much less dramatic than expected. However, with the October 2001 legislative elections that virtually ended the Radical/FREPASO Alianza coalition and strengthened the Peronist Party, and the December 2001 change in government from the Alianza to a Peronist administration, attempts to overturn the labor reform law are gathering steam.

The element of the 2000 labor reform law that has had the most impact was the increase in the probationary period for employees. Trial periods for large companies were increased to 90 days rather than 30 days, and through a collective bargaining agreement, could be further extended up to 6 months. For small companies, a 6-month trial period could be extended to a year with a collective bargaining agreement. For workers dismissed during the trial period, employers can avoid paying the costly benefits due to a dismissed permanent employee. Unions argue that this change did not ultimately bring the expected increase in employment but rather allowed employers to take on temporary workers and dismiss them more easily, contributing to greater labor instability.

The labor reform also eliminated "ultra-activity" or the automatic implementation of the last collective bargaining agreement on record in the event that labor and management fail to reach a new agreement. This has not yet had a serious impact, however, since under the new regulations the Labor Ministry must have determined that a disagreement between parties is sufficient to start the clock ticking, in which case the parties have two years to negotiate a new agreement before the old one expires. During the De la Rúa government, the Ministry attempted to start the clock on some accords and eliminate obsolete and irrelevant agreements but the resignation of the Labor Minister and subsequent political changes paralyzed the process. Many collective bargaining agreements date back to the 1970's.

Additionally, the law allows unions at the plant level, rather than the federation or national level, to negotiate collective bargaining agreements. This has not had much of an effect for a variety of reasons. Employers and confederations are not interested in decentralizing the national level of negotiations. Employers prefer to avoid plant level unions that would be able to negotiate and strike on their own, and they prefer the more general terms of national agreements. The local unions do not want to risk cutting themselves off from the national confederation's power and resources. Some small unions do exist, and there can be representation at the plant and company level in negotiation of agreements, but such negotiators are usually accompanied by the national federation or union representatives.

## **Minimum Wage**

The current minimum wage is 200 pesos a month and it has been set at this level for nine years. During most of that time the dollar and the peso were at a one to one parity. However, since January 2002, the peso has devalued (to around 3.4 pesos to the dollar in late March 2002), making the minimum wage much lower in dollar terms. In the face of the inflation sparked by the devaluation, the purchasing power of the already meager minimum wage has been further eroded. In order to change the minimum wage the government must convene a

tripartite commission and there have been calls for it to do so. Few full time union workers receive only the minimum wage but some wage and benefit calculations are tied to the minimum wage so it continues to be relevant.

## **Federal Mediation and Conciliation**

The Congress passed a national law establishing a federal mediation and conciliation service, which is to provide mediators and arbitrators for labor disputes. The Labor Ministry currently provides mediation for collective bargaining disputes and individual disputes, but the new law established a new federal level office with additional staff. The federal mediation and conciliation service has yet to be fully implemented, however, as budget austerity has made establishment of expanded government services very difficult.

## **International Organization of Labor (ILO)**

Argentine labor figures, from the union, employer and government side have been very active in the ILO, befitting the degree of organization and history of the Argentine labor sector. Argentina's Labor Minister, Alfredo Atanasof, delivered an address on the social dimension of globalization at a meeting of the ILO administrative council in March 2002. Employer labor expert Daniel Funes de Rioja was serving as Executive Vice-President of the International Organization of Employers.

The ILO has presented long-standing concerns about key aspects of Argentine labor law. Specifically the ILO Committee of Experts (COE) has criticized two aspects of the law related to the obstacles to challenging an existing union and the benefits an existing union receives. The COE cites law 23.551 that makes competition difficult: Section 28 requires the petitioning association (a challenging union) to have "considerably higher" number of members. The implementing regulation defines the higher level at 10 percent. Section 21 allows a trade union at the enterprise level to be granted trade union status only when another first level association does not already operate within the geographical area, activity, or category covered. Section 30 imposes excessive conditions for granting trade union status to union representing workshops, occupation or categories of workers.

The Committee of Experts cites law 23.551 as providing excessive benefits: Section 31 provides the exclusive right to defend and represent the workers only to unions with trade union status. Section 38 permits only one association with this status to retain dues. Section 39 exempts only official trade union status unions' tax exemption. Section 48 and 52 provide only members of unions with trade union status protection from illegal firings.

In 2001, then Labor Minister Patricia Bullrich presented a presidential decree forming a national tripartite commission to discuss the ILO Committee of Experts longstanding criticisms of Argentine labor law. The impact of the commission is likely to be minimal as knowledgeable observers expect only some minor changes to provisions of the law questioned by the ILO

## **THE LABOR MINISTRY**

In August 2000, a scandal erupted because of allegations that the senior members of the Executive Branch had bribed national senators to achieve passage earlier in the year of the labor reform bill. The Labor Minister was transferred and shortly thereafter left the government in October 2000, as did the Vice President from the coalition partner FREPASO movement. Patricia

Bullrich was appointed as the new Labor Minister and prioritized greater transparency and reforms in social welfare programs, but she resigned shortly before the De la Rúa government resigned in December 2001. In January 2002, President Duhalde named Peronist federal deputy and Municipal Employees' Union leader Alfredo Atanasof to head the Labor Ministry. Atanasof has written two books on the elimination of child labor and chaired the Labor Legislation Committee in the Chamber of Deputies. The union he headed was a member of the official CGT.

The Ministry is divided into three Secretariats. The Secretary of Labor includes labor relations issues (e.g. collective bargaining and labor relations). The Secretary of Employment manages worker assistance programs and other employment issues (e.g. training and human resources). The Secretary of Social Security consists of the Superintendent of Workplace Risk (monitors occupational safety and health and the insurance companies for workers compensation, the private retirement funds, (AFJP) and the ANSES public retirement program).

## **Occupational Safety and Health (OSH)**

Prior to 1996, workers had to use the court system to receive compensation for work related injuries. In 1996, the system was overhauled to involve private insurance companies, (ARTs), who provide insurance and workers compensation for injuries similar to the no-fault system in the U.S. (Although some have tried to challenge the prohibition on the right to sue in court, the ART system continues to function and the Supreme Court ruled that the new regime was constitutional, in January 2002.) Some have criticized the ARTs for not focusing on prevention of accidents and injuries, but rather focusing merely on the insurance premiums and payments.

The Superintendent of Work Risk (SRT) is responsible for the occupational safety and health regulations and their enforcement. However, due to limited resources, the SRT relies heavily on the ARTs' inspections and complaints as part of its inspection and enforcement mechanisms. The first 10 days after an accident are billed to the employer. After the 10th day the ART assumes the costs. The Labor Ministry has attempted to get smaller employers to focus more on prevention and implemented a 1-800 number for workers to use to call an inspector. The SRT also maintains an automated database of all accidents. In January 2001, the SRT began a pilot project targeting 8,000 companies who must submit OSH plans every two weeks to the Ministry and reduce their level of accidents by 10 percent, or face fines.

Special regulations were passed for the construction industry. Before the new law, each province had its own construction occupational safety and health standards. In addition, in 1995 employers and employees began contributing 3 percent of the 10 percent unemployment payroll tax to occupational safety and health investigation and training. Also from the 10 percent, two per cent finances a bipartite Investigation Fund for Training and Safety in Construction (FICS) which approves and funds occupational safety and health training projects that are developed through the Construction Unions' Training Foundation. One percent funds go to a research and investigation institute. The union has mobile OSH units and highly developed training programs.

# **DIRECTORY OF LABOR CONTACTS**

## **GOVERNMENT**

### **Ministry of Labor, Employment and Formation of Human Resources**

Minister Alfredo Atanasof,  
Tel: (54) (11) 4310-6322/6324, 4310-6315

### **Secretary of Labor**

Dr. Carlos Tomada  
(54)(11) 4310-6352, 4310-6391/6294

## **UNIONS**

### **Confederacion General de Trabajo (CGT, Official General Confederation of Workers)**

Azopardo 802  
Buenos Aires

Rodolfo Daer  
Secretary General  
Tel/Fax: (54)(11) 4343-1883/7909

Armando Cavalieri  
Secretary of International Affairs  
Tel: (54)(11) 4331-4796

### **Confederacion General de Trabajo (CGT, Dissident General Confederation of Workers)**

Hugo Moyano, Secretary General  
Federacion Nacional Trabajadores Camioneros y Obreros de Transport Automotor de Cargas (Truckers Union)  
Av. Caseros 921, Buenos Aires  
Tel: (54)(11) 4300-2202/0975

### **Central de Trabajadores Argentinos (CTA, Central of Argentine Workers)**

Victor de Gennaro, Secretary General  
Independencia 766, Buenos Aires  
Tel: (54)(11) 4307-3829  
Fax: 4300-1015

**Sindicato de Mecanicos y Afines del Ttransporte Automotor (SMATA, Autoworkers Union)**

Av. Belgrano 665, Buenos Aires  
José Rodriguez, Secretary General  
Tel: (54) (11) 4340-7400  
Fax: 4340-7417

**Union Obrera Metalurgica (UOM, Metalworkers)**

Alsina 487 Buenos Aires  
Lorenzo Mariano Miguel - Secretary General  
Tel: (54)(11) 4345-5112/27, Fax 4331-7778

**Sindicato de Trabajadores de Luz y Fuerza de la Capital Federal (Light and Power Workers Union of Federal Capital)**

Defensa 453, Buenos Aires  
Oscar A. Lescano, Secretary General  
Tel:; (54)(11) 4331-2706, 4331-6736/0531, Fax: 4331-6736

**Federacion Argentina de Empleados de Comercio y Servicio (FAECYS, Argentine Trade and Service Workers Federation)**

Av. Julio A Roca 644, Buenos Aires  
Armando Cavalieri, Secretary General  
Tel: (54)(11) 4345-8145/8150, Fax: 4345-8163

**Union Obrera de la Construccion de la Republic Argentina (UOCRA, Construction Union)**

Ave. Belgrano 1870, Buenos Aires  
Gerardo Martinez, Secretary General  
Tel (54)(11) 4384-7163/7165/7166 Fax: 4384-7164

**Union del Personal Civil de la Nacion (UPCN, Government Workers in the CGT)**

Moreno 1332, Buenos Aires  
Andres Rodriguez, Secretary General  
Tel: (54)(11) 4381-5027/3953 Fax: 4383-5250

**Federacion de Asociaciones de Trabajadores de la Sanidad (FATSA, Sanitation Workers)**

Dean Funes 1242, Buenos Aires  
Carlos West Ocampo, Secretary General  
Tel: (54)(11) 4308-2550



## **EMPLOYERS**

### **Union Industrial Argentina (UIA, Argentina's largest employer organization)**

Leandro Alem 1067, Buenos Aires  
Daniel Funes de Rioja  
Adviser, Labor Relations  
Tel: (54)(11) 4348-4120/4100 fax 4348-4155

### **Camara de Comercio de los Estados Unidos (AMCHAM)**

Viamonte 1133, 8th Floor, Buenos Aires  
Felix Zumelzu, Executive Director  
Tel: (54)(11) 4371-4500

**ORDERING INFORMATION**

You may order an annual subscription to the Foreign Labor Trends Report Series or a printed copy of the Foreign Labor Trends report for a specific country from the U.S. Government Online Bookstore at <http://bookstore.gpo.gov/index.html>.